

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

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In re : Chapter 11
CIRCUIT CITY STORES, INC., et al., : Case No. 08-35653
Debtors. : Jointly Administered
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**OBJECTION OF UNION SQUARE RETAIL TRUST
TO DEBTOR'S PROPOSED CURE AMOUNT**

Union Square Retail Trust (“Landlord”), by its attorneys, Greenberg Traurig, LLP, submits this objection to the cure amount (the “Cure Amount”) set forth in the supplemental cure schedule filed March 4, 2009 (the “Supplemental Cure Schedule”) by Circuit City Stores, Inc. (the “Debtor”). In support of its objection, Landlord states as follows:

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1. Bankruptcy Code Section 365(b)(1) requires that Debtor fully cure all defaults under the Lease prior to assumption. As described herein, Debtor has failed to do so by the terms of the Supplemental Cure Schedule.

2. On March 4, 2009, Debtor filed the Supplemental Cure Schedule stating that Landlord is owed \$181,241.00 under the governing lease for property located at Union Square South, New York, New York, identified by Debtor as Store 3679.

3. However, through and including March 13, 2009, Debtor owes rents under the Lease in the amount of \$372,662.40 as shown on the Schedule annexed as Exhibit A.

4. Debtor also remains liable to Landlord for all attorneys' fees incurred by Landlord as a result of Debtor's defaults under the Lease. Through and including February 28, 2009, the amount of attorneys' fees due to landlord is \$46,313.48, and such fees continue to accrue. Debtor also remains liable to Landlord for fines totaling at least \$1,800 in connection with violations that have been imposed against the subject premises. That total cure amount is thus \$420,775.88 (\$372,662.40 + \$46,313.48 + \$1,800.00 = \$420,775.88).¹

5. Landlord reserves its rights to supplement or amend the cure amount asserted in this objection at any time and to assert administrative claims for additional charges. Without limitation, Landlord reserves its right to recover (a) attorneys' fees incurred from and after March 1, 2009 and (b) charges that have not been billed including year-end reconciliations and "true-ups". Landlord makes no representations with respect to the condition of the space and/or whether or not Debtor has fulfilled its obligations under the lease, such as maintaining the space or the fixtures and equipment that may be located therein. Landlord also reserves the right to

¹ Landlord will provide back-up for the attorneys' fees and rents due upon request by the Debtor

oppose consideration of any potential purchaser on the ground of lack of adequate assurance of future performance.

WHEREFORE, Landlord respectfully requests that this Court fix the Cure Amount as \$420,775.88 together with such additional amounts that accrue through the date of assumption, compel the assumption by any assignee of the lease of liability for all accrued, but unbilled charges, adjustments and reconciliations and grant the Landlord any further relief this Court may deem proper and just.

Dated: March 12, 2009

CHRISTIAN & BARTON, LLP

By:/s/ Michael D. Mueller

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CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of March, 2009, I caused a copy of the foregoing to be served by electronic means on the "2002" and "Core" lists and through the ECF system.

/s/ Michael D. Mueller

Michael D. Mueller

EXHIBIT A

682 - Union Square South Retail

Circuit City #3679 Arrears up to and including 3/13/09:

	<u>November 2008</u>	<u>December 2008</u>	<u>January 2009</u>	<u>February 2009</u>	<u>March 2009</u>	<u>Totals</u>
Base Rent	\$161,975.00			\$74,717.50	\$236,692.50	
Operating Expenses		\$19,266.18		\$8,907.34	\$28,173.52	
2008 Operating Expense True Up				\$9,431.20	\$9,431.20 *	
Real Estate Taxes 1/1/09-6/30/09			\$69,302.74	\$29,062.44	\$98,365.18	
						\$372,662.40
Total:						

* The 2008 Operating Expense True Up amount of \$9,431.20 is a preliminary figure and is subject to approval.